

ORIGINAL

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EX PARTE OR LATE FILED

January 5, 2000

**By Hand**

Magalie Roman Salas  
Secretary  
Federal Communications Commission  
Room CY-A257  
455 Twelfth Street, SW  
Washington, D.C. 20554

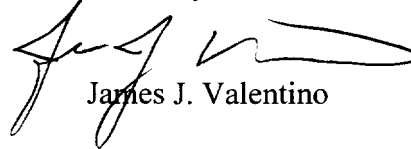
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JAN 05 2000  
FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Re: Written Ex Parte Submission in CC Docket No. 99-273

Dear Ms. Salas:

Pursuant to section 1.1206(b)(1) of the Commission's rules, 47 C.F.R. § 1.1206(b)(1), an original and one copy of an August 12, 1999, ex parte submission of MediaOne Group, Inc. (MediaOne), in relevant part, are being provided to you for inclusion in the public record in the above-captioned proceeding. The August 12, 1999 ex parte submission was initially provided in the Commission's UNE Remand proceeding, CC Docket No. 96-98, to demonstrate that alternative providers do not, and cannot, offer directory assistance services at comparable cost and quality to those of the incumbent local exchange carriers.

Sincerely,



James J. Valentino

Enclosures

cc (w/ encl.): Gregory Cooke

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This is Broadband. This is the way.

August 12, 1999

Mr. Jake E. Jennings  
Policy and Program Planning Division  
Common Carrier Bureau  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

*Ex Parte* Filing  
CC Docket No. 96-98

Dear Mr. Jennings:

Thank you for arranging the meeting yesterday between Commission staff members and representatives of MediaOne Group concerning the referenced proceeding. During that meeting, Commission staff asked us questions regarding MediaOne's experience with and recommendations as to Unbundled Network Elements (UNEs) that the Commission should prescribe in CC Docket No. 96-98. We agreed to provide further information in response to those inquiries.

Enclosed are responses to the matters raised with respect to the following three recommended UNEs: Operator Services/Directory Assistance, Signaling and Network Terminating Wire. Two copies of this letter and its attachments have been filed with the Office of the Secretary, as required by Section 1.1206(b)(1) of the Commission's rules.

Sincerely,

Tina S. Pyle  
Executive Director/Public Policy  
MediaOne Group  
188 Inverness Drive West, 6<sup>th</sup> Floor  
Englewood, Colorado 80112

Enclosures (3)

cc: Jonathan Reel (w/enclosures)  
Anthony Mastando "  
Sanford Williams "  
Sarah Whitesell "  
William Bailey "

## **Operator Services/Directory Assistance**

Operator services and directory assistance (OS/DA) are necessary for competitive LECs, such as MediaOne, to provide local service. The ILECs claim there are many available alternatives available for these services. There are indeed a few alternative providers of OS/DA, but none of them provide the quality of service that customers have come to expect. MediaOne believes the differences are large enough that the failure of the ILECs to provide access to their OS/DA would impair MediaOne's ability to provide service.

MediaOne's Unhappy Experience With an Alternative OS/DA Provider. When MediaOne first launched its service in Los Angeles, it used a non-ILEC provider for its OS/DA services. That vendor's service did not meet the expectations of MediaOne's customers, resulting in a number of complaints and several lost customers. Though the complaints were few in number, they were a high percentage of MediaOne's then customer base, which was quite small.

MediaOne has terminated its relationship with this vendor in favor of Pacific Bell. Of note, since it has switched to Pacific's OS/DA services, MediaOne has not received one OS/DA related complaint.

The Lack of Effective Substitutes. In its research, MediaOne has found only two non-ILEC vendors who provide both OS and DA. Moreover, in looking at the service levels of these two providers, MediaOne identified several key concerns:

- Average Speed to Answer (ASA): One company's ASA is about 15 seconds, and the other's is about 18 seconds. These are inordinately and unacceptably long, particularly when compared to the ILECs' ASA (MediaOne's contract with one of the ILECs reflects an ASA of 6 seconds or less).
- Higher LIDB Costs: The ILEC average is \$0.034 per transaction. One of the alternate providers charges \$0.055 per transaction, while the other charges \$0.10 per transaction. At present, MediaOne averages about one-half a query per customer per month. However, the number of LIDB queries will increase as MediaOne expands its service offering to include a long distance calling card. It is likely that the number of queries will increase to approximately four per customer per month. If MediaOne were required to pay the higher LIDB transaction costs, then it will see an increase of two cents to 6.5 cents per query, or 8 to 25 cents per customer per month.
- Transport: If MediaOne were to use one of these providers, it would not be able to secure local transport arrangements in most of its existing and future markets. As a result, MediaOne would need to obtain long haul facilities from its switches to the alternate provider's OS/DA tandem locations. On average, MediaOne could expect to pay as much as \$2.000 per month per switch for each long haul DS1 transport. On

the other hand, when MediaOne obtains OS/DA from the ILECs, it pays about \$500 per month per switch for each local loop. Utilizing a non-ILEC provider thus would cost MediaOne an additional \$1,500 per month per switch. A DS1 circuit has sufficient capacity to serve approximately 15,000 customers for this purpose; once MediaOne exceeds that number of customers in a given location, it will need an additional DS1 circuit, which will take some time to fill. For the foreseeable future, MediaOne will average far fewer than 15,000 customers per DS1. As a result, if MediaOne were forced to utilize a non-ILEC OS/DA provider, its transport costs would likely increase by some 15 to 20 cents per line per month. When added to the increased LIDB transaction costs, the total increase would be in the range of 20 to 45 cents per customer per month.

- Accuracy of Data: National directory assistance databases are not updated as frequently as the incumbents' databases. A customer's name appears in an ILEC's database, on average, within 48 hours. On the other hand, with one of the alternate providers, it takes five days.
- Limited Local Presence: National providers have less familiarity with an area. What this means for a customer is that he or she may experience difficulty in obtaining a telephone number from the directory assistance operator if the customer uses local jargon. Further, a national provider may experience more difficulty in handling an emergency call whereas the ILECs have precise processes for contacting the appropriate PSAPs.

While there are a few non-ILEC OS/DA providers, MediaOne's experience and market research indicates they are not effective substitutes for the ILECs' services. The failure of the ILECs to provide access to their OS/DA would impair MediaOne's ability to provide service.

Section 251(b)(3). Section 251(b)(3) requires all LECs to provide nondiscriminatory access to their OS and DA services. If the Commission should decide not to require the ILECs to provide unbundled access to OS/DA under section 251(c)(3), it should reaffirm the requirement of nondiscriminatory access under section 251(b)(3), including the requirement that a LEC not discriminate in favor of its own use of these services.